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# FOREIGN POLICY REPORTS

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December 1, 1942

## Alaska: Last American Frontier

BY BEKA DOHERTY and ARTHUR HEPNER

PUBLISHED TWICE A MONTH BY THE

Foreign Policy Association, Incorporated

MIDSTON HOUSE, 22 EAST 38th STREET, NEW YORK, N. Y.

VOLUME XVIII NUMBER 18 25¢ *a copy* $5.00 *a year*

# Alaska: Last American Frontier

BY BEKA DOHERTY and ARTHUR HEPNER, who traveled in Alaska in the spring of 1942.

THE enormous territory of Alaska, bought by the United States from Russia in 1867, daily becomes more important as World War II unfolds. Constant emphasis on Alaska's value as a defense outpost has brought more official and unofficial attention to the Territory than it has received since the famous series of gold strikes in the late 1890's. Japanese landings on Attu, Agattu and Kiska Islands in the Aleutian chain during the summer of 1942 made clear just how close Alaska is to the Orient. In the 75 years that Alaska has been part of the United States, only a threat to national security could drive home a full realization of its strategic importance. Interest today centers on its military value, but a correct view of even this important aspect of the Territory's relation to the United States cannot be gained without consideration of its development in the past.

## HISTORY

Over a year after the territory of Alaska had been transferred from Russian to American rule, President Andrew Johnson told Congress: "The acquisition of Alaska was made with the view of extending national jurisdiction and republican principles in the American hemisphere."[1] A more recent writer asserts that the movement to purchase Alaska was launched by interested parties in California, who later capitalized on their shrewdness to make heavy investments in Alaskan resources.[2]

Actually, Russia had been trying to dispose of Alaska for a number of years before 1867. After the death of Alexander Baranof,[2a] for twenty years director of the Russian America Company, Russian fortunes in North America declined. The nobles of the Russian Navy who succeeded Baranof were unable to duplicate his dictatorial achievements. Baranof's successors had forbidden foreigners access to the territory, and so great was British resentment that Russia was constantly afraid of a British attack on Alaska. Trading activity slackened. After a Western Union expedition had explored Alaska's interior in the hope of establishing a telegraph route to Europe, Russia's relations with the United States improved. Russia made tentative overtures to Washington, and in 1867 the sale of Alaska to this country was consummated.[3]

Subsequent events tend to support Hellenthal's contention that private commercial interests motivated the purchase of Alaska. The newly acquired territory was virtually ignored by every Administration from 1867 to 1897. As a result, the early history of Alaska is largely one of commercial undertakings. During the period of Russian domination, Alaskan economy was based on the fur trade established by the Russian America Company. A group of San Francisco bankers bought out the rights and property of this company at the time of the transfer, and for twenty years thereafter, as the Alaska Commercial Company, monopolized the fur trade. This group obtained an exclusive lease for seal hunting on the Pribilof Islands from the Federal government, but fur seals diminished so rapidly under their administration that in 1912 the government took control of sealing.

Meanwhile, gold had been discovered at Juneau in 1880. Between 1896 and 1898 many strikes in the Yukon Territory brought a phenomenal rush of Klondikers through Alaska. A strike was made near Nome in 1898, and the rush of unsuccessful Klondikers to the spot was augmented by thousands who came from the United States. The wild history of Alaska's gold-rush days has passed into legend, but scattered remnants of the gold rushers formed the nucleus of Alaska's present white population. Gold mining gradually took on more elaborate forms, although the individual prospector dominated the scene for almost twenty years. By the time of the last notable strike—at Tolovana in

1. Jeannette Nichols, *Alaska: A History under United States Rule* (Cleveland, O., Arthur H. Clark Co., 1924).

2. J. A. Hellenthal, *The Alaskan Melodrama* (New York, Liveright, 1936), chap. 1.

2a. For details of Baranof's administration of Alaska, see p. 248.

3. Historical data have been gathered from a number of sources, including: Nichols, *Alaska: A History under United States Rule*, cited; Henry W. Clark, *A History of Alaska* (New York, Macmillan, 1930); Merle Colby, *A Guide to Alaska* (New York, Macmillan, 1939); early files of the *Alaska-Yukon Magazine;* and other books and documents made available to the authors at the Alaskan Historical Library and Museum at Juneau.

FOREIGN POLICY REPORTS, VOLUME XVIII, NUMBER 18, DECEMBER 1, 1942

Published twice a month by the FOREIGN POLICY ASSOCIATION, Incorporated, 22 East 38th Street, New York, N. Y., U.S.A. FRANK ROSS MCCOY, *President;* SHERMAN S. HAYDEN, *Assistant to the President;* VERA MICHELES DEAN, *Editor and Research Director;* HELEN TERRY, *Assistant Editor. Research Associates:* WINIFRED N. HADSEL, ERNEST S. HEDIGER, HELEN H. MOORHEAD, ONA K. D. RINGWOOD, LAWRENCE K. ROSINGER, HOWARD P. WHIDDEN, JR.; JOHN I. B. MCCULLOCH, *Acting Director of the Washington Office;* JOHN ELLIOTT, *Washington Correspondent.* Subscription Rates: $5.00 a year; to F.P.A. members $3.00; single copies 25 cents. Entered as second-class matter on March 31, 1931 at the post office at New York, N. Y., under the Act of March 3, 1879.

181 *Produced under union conditions and composed, printed and bound by union labor.*

1914—the gold industry was well on the way to its present highly capitalized, mechanized state.

Simultaneously with the development of the gold industry, but much more slowly, fishing was established as an integral part of Alaska's economy. Native tribes had always made much use of the enormous aquatic resources of the territory. White newcomers were quick to see their possibilities, and the first salmon cannery was established in 1878. Early canneries, operating on a small scale, used destructive fishing devices, such as barricades across the streams up which salmon had to pass. Laws to protect the food fish supply were consequently passed in 1888 and 1906. When canning methods improved, the industry increased its pack and concentrated on the enormous runs of pink salmon in southeastern Alaska. During the first World War the fishing business, in which large packing companies took an active interest, became a powerful factor in Alaska's economy. Wartime demand lifted the industry from a minor rôle to that of the most productive and richest industry in Alaska, and salmon fishing and packing far outstripped all other commercial fishing from the beginning.

Civil government developed with more difficulty than industry. The sole representatives of American authority after Alaska's purchase were the garrison at Sitka. The soldiers formed their own government, while the citizens attempted unsuccessfully to set up a responsible government for themselves. A Customs Act of 1868 brought the territory under United States customs laws and forbade the sale, importation and use of firearms and liquors, but otherwise did nothing to remedy existing anarchic conditions. The Treasury Customs Collector represented civil law and order, and governed alone after the removal of troops in 1877. In 1880 the United States Navy nominally assumed the task of administration.

After gold was discovered at Juneau, miners' meetings functioned instead of more elaborate civil government. Each camp settled its problems by majority rule, with a revealing set of punishments: for murder, hanging; for robbery, banishment; for all else, fines. These meetings were instrumental in extending to Alaska the mining laws of the United States. In 1884, in spite of the patent uselessness of such a move, all the laws of Oregon were extended to the territory, which was designated a District of the United States. A Governor and other Federal officials were appointed by the President. The 1884 Organic Act gave legal status to the miners' meetings, which continued even after Congress had passed inadequate laws relating to transportation and homesteading, and civil and criminal codes. The Alaska Commercial Company blocked a popular movement for home rule, fearing that effective local government would interfere with its monopoly, which now extended beyond the fur trade.

In 1906, after much petitioning, Alaska was allowed an elected delegate to Congress. In the same year the Alaska Syndicate was formed in New York, with the object of controlling Alaskan railroads to be built with government subsidies, as well as gold, copper, and fish production. Its strong-arm activities precipitated a Congressional investigation in 1912, from which two constructive results emerged: a definite conservation policy on the part of the Federal government; and a new Organic Act, giving Alaska Territorial status and a Territorial Legislature. After World War I, President Harding made the conservation policy even more strict.[4] A final reorganization in 1927 centralized the administration of Alaskan affairs under the Departments of Interior, Commerce and Agriculture, and Alaska entered on its contemporary phase.

Alaska's peculiar physiography is an important factor in its strategic significance. The 586,000-square-mile Territory, lying partly in the north temperate and partly in the arctic zone, has a great variety of climatic conditions. Its vast, sprawling mass stretches from North America toward Asia, shooting off two sweeping arms: one, the Aleutians, overlapping the Eastern Hemisphere by 325 miles; the other, the Panhandle, stretching southward toward the west coast of the United States. These two arms, warmed by the Japan Current, have a marine climate with comfortable year-round temperatures and heavy precipitation. The great core of the Territory between these two arms and reaching to the Polar Sea, on the other hand, experiences a wide range of temperature and light precipitation. Winters are severe, summers warm. Proximity to the Pole lengthens daylight to 24 hours in summer and nights to the same extent in winter. High mountain ranges, especially in the Aleutians, which are in one of the world's most active volcanic regions, play havoc with the weather. Foggy, wet, dismal conditions in the Aleutians have been cited regularly as the reason for the delay in driving the Japanese out of the area. Operations in other parts of the Territory are made difficult because of the snow, cold and rugged terrain.

4. The "conservation policy" gives the government ownership and control of Alaskan land and resources. It developed gradually, and Congressional acceptance was hastened by the popular trust-busting of the era. The dates of the principal "withdrawals" (retention of land and resources in government control) are: coal lands, November 1906, leasing law, 1913; oil lands, 1910, leasing law, 1920; and Tongass and Chugach National Forests, 1909. Land is obtainable by homesteading under governmental supervision; resources can be leased from the government and exploited under conservation principles.

POPULATION

The last census, taken on October 1, 1939, listed Alaska's population at 72,524. "This all-time high represents for the first time in Alaska's history a natural, an evolutionary growth. . . . Excepting only several communities unfavorably affected by the suspension of mining operations, the entire Territory has registered impressive increases."[5] The population is almost equally divided between white and "Native,"[6] and at least 33 per cent of the population is concentrated in the Panhandle.

Alaska's normal population is changed yearly by an influx of about 20,000 transient laborers to work in the seasonal mining and fishing industries which employ a disproportionate number of male workers. In addition, fewer than 40 per cent of native-born white males over 15 years of age are married.[7] Population problems, however, are profoundly influenced by Alaska's economic organization. The fishing industry annually employs a number equal to about half the normal population. The mining industry, second in value to fishing, employs only between 4,000 and 5,000 persons.

Alaskan Natives, who constitute half the population, are under the care of the Office of Indian Affairs. They embrace three main divisions: the Aleuts of the Aleutian Islands and the Alaskan Peninsula; the Eskimos, who live along the Bering and Arctic coasts from Bristol Bay to the International Boundary on the Arctic Ocean; and the Indians of southeastern and central Alaska. By and large, the Natives have retained their old ways of life. Many, however, especially those in the vicinity of white settlements, have attempted to adapt themselves to the prevailing economy.[8]

Conditions among the Natives cannot be described in optimistic terms, although they are improving. While the Office of Indian Affairs has set up a school system throughout the Territory, the training offered is for the most part at an elementary level. Opportunities for further education are extremely limited; they are confined to three vocational schools, at Wrangell, at Eklutna, and at White Mountain.[9] In spite of the evident desire of a great number of Natives to become fully equipped members of the Alaskan community, both Claude Hirst, Director of the Office of Indian Affairs in Alaska, and Virgil Farrell, Educational Director, have stated that the purpose of Native education is to "develop a Native economy that will be independent of that of the whites." For this purpose, whole Native communities are retrained in tribal arts and skills—such as basketweaving and skin sewing—and a cooperative marketing system has been established by the Office of Indian Affairs. Handicraft sales yield a fairly sizeable income. O.I.A. teachers, a few of whom are Natives, act as managers of village cooperatives as well as social workers, and fill other responsible positions in Native communities. Under the Reorganization Act,[10] Native communities are encouraged to draw up constitutions and form local governments. Funds are advanced to such organizations, as well as to cooperatives, for the purchase of industrial equipment and other aids to economic rehabilitation.

Before any economic or social rehabilitation program among the Natives can succeed, an appalling health problem must be solved. The greatest drain is caused by tuberculosis,[11] but venereal diseases are also a serious problem, as are recurring visitations of influenza, whooping cough and measles. Seven hospitals have been built and are operated by the Office of Indian Affairs for the benefit of Native patients, but only 32 beds—all at Juneau—are provided for the care of the many tuberculous patients.

The Native who attempts to compete in a white economy is at a constant disadvantage with the technically better equipped whites. Nevertheless, Alaskan Natives have always refused to accept any reservation plan, which they consider racial discrimination on a mass scale, preferring to struggle for existence on the lowest level of Alaskan society. The maladjustment to white civilization on the part of most Natives has led to the growth of degraded slums on the fringes of white towns.[12] In towns whose population is exclusively Native, the Indians enjoy a higher economic status and better living conditions.[13] Many Natives work regularly as commercial fishermen or mine laborers. Others fit themselves into the general pattern of

5. *Message of the Governor of Alaska to the 15th Legislative Assembly* (Juneau, January 1941), p. 6.

6. Any person with one-quarter or more Eskimo, Aleut or Indian blood is counted a Native.

7. *Population* (Washington, National Resources Committee, 1938), pp. 35 ff.

8. *Ibid.*

9. Much information about the Native in Alaska may be obtained from publications and reports of the Office of Indian Affairs; the annual *Governor's Reports; Alaska: Its Resources and Development* (Washington, National Resources Committee, 1937); all of which have been used in the preparation of this REPORT. These factual data have been supplemented by interviews with officials and first-hand observation.

10. The Indian Reorganization Act, extended to Alaska in 1936, provides for rehabilitation of Native economy largely through community movements.

11. *Population,* cited, pp. 35 ff.

12. In the white towns the Native must struggle with his ever-present Nemesis—liquor—which he craves despite its terrible mental and physical effects. In Native communities thoughtful citizens, with the active encouragement of the O.I.A., have prevented the legalized sale of liquor.

13. At Metlakatla, on Annette Island near Ketchikan, the heartening experiment of Father Duncan continues successfully. There, Tsimshiam Indians live communally, operate a profitable cannery, and are practically unaffected by the health problems afflicting other Natives.

seasonal employment as best they can.[14] With the coming of war their employment greatly increased. Little help in the adjustment of the Native problem is provided by the marked discrimination practiced by the whites. Natives are specifically excluded from most social legislation, and tacitly from the normal life of the white towns.

RESOURCES

Alaska today is a land of considerable resources, few of which have been thoroughly exploited. By the end of 1940, $831,600,000 in minerals had been produced, of which 67.6 per cent was gold and 27.3 copper. Prevailing geological opinion maintains that enormous reserves of placer and lode gold still exist.[15] Much has been made of the probable widespread occurrence of many other minerals but, since less than half of Alaska has been surveyed for minerals by technical agencies, complete information is lacking.[16] Deposits of chromite, tin, nickel, magnetite, tungsten, quicksilver, platinum ores, and other metals are known to exist. Some, especially the platinum ores, already have been exploited commercially. There are extensive coal beds of various grades, of which some are being worked for local use. Petroleum seepages have also been noticed, but drilling has been on a small scale. Near Point Barrow on the Arctic Ocean one field is believed to be so rich that it has been set aside as a naval oil reserve but, as it has never been drilled, its potentialities are unknown.

Among Alaska's most valuable resources are its forests. Coastal stands of hemlock and spruce contain from three to four million acres of commercial timber, or a potential production of 1,000,000 tons of newsprint annually—one-quarter of total United States requirements—but so far no material use has been made of these resources. Interior forests are valuable chiefly as fuel. The forest areas have been under Federal control since the United States acquired Alaska, and in 1907 and 1909 the two main forest areas were designated as National Forests. Scientific control in line with Federal conservation policy is assured if ever they are actually utilized. Fur animals constitute a major resource of Alaska. Skins are usually third in value of all shipments from the Territory. About 8,000 trappers, most of them Natives, depend on wild life for their cash income. Fur farming provides employment for a few hundred. Both occupations are under control of the Federal conservation laws.

Most agricultural activity is concentrated in the Matanuska Valley, where an experimental settlement was made under Federal sponsorship in 1935.[17] Matanuska lies about 125 miles inland from the Gulf of Alaska, at the head of Knik Arm of Cook Inlet. The climate combines marine and continental influences, dominated by the warm Japan Current in the Pacific. Summer is cooler than in any agricultural part of the United States, and winter warmer than that in many northern tier states. Most farm products of the northern states can be raised in the Matanuska Valley. Some bush fruits, 24 vegetables, 6 cereals and 10 kinds of hay and grasses are grown with regular success, often attaining prize-winning quality and size. Conditions are so favorable to dairy farming that dairying is the major agricultural specialty of the Valley. Other livestock also thrives well under prevailing conditions.

Much adverse criticism was directed at the original settlement of 200 indigent farm families from Minnesota, Wisconsin and Michigan at Matanuska in 1935. Even many Alaskans did not believe that successful colonization was practicable, since their interests had always centered on gold and fisheries. The record of the Matanuska colony successfully refutes this notion. Within two years after settlement the colony was a producing farm community.

The Matanuska colony was financed by the Alaska Rural Rehabilitation Corporation. It was originally directed by the Federal Emergency Relief Administration and later transferred to the Department of Interior. Families were settled on homesteads varying in size from 40 to 100 acres. With government financing, the colonists had made an impressive start on the building of homes, barns and roads by the end of 1935, and Palmer, the central town, was a model community center—much of it the work of the colonists themselves. A year later, the Matanuska Valley Cooperating Association was formed to buy community facilities from the Alaska Rural Rehabilitation Corporation, and to sell Valley products at Anchorage and mining settlements within trucking distance.

Lacking better transportation within Alaska, shipping from Matanuska remains too expensive for home-grown products to compete with those "imported" from the States. Meanwhile, the Agricultural Experiment Station, maintained jointly by the University of Alaska and the Department of Agriculture—one of the several in Alaska—continues to work with the colonists in improving sub-Arctic farming. Lorin T. Oldroyd, Director of the

14. *Special Problems in the Development of Alaska* (Washington, National Resources Committee), Part I, pp. 9 ff.

15. *Mineral Resources* (Washington, National Resources Committee), Part II, pp. 75 ff.

16. *Ibid.*

17. For information on the Matanuska Valley, see W. A. Rockie, "A Picture of Matanuska," *Geographical Review*, July 1942, pp. 353 ff.; National Resources Committee, *Staff Report on Agriculture;* Colby, *A Guide to Alaska*, cited, pp. 78, 270, ff; *Information for Prospective Settlers in Alaska* (College, Alaska, Agricultural Experiment Station, 1941), Circular No. 1.

Agricultural Extension Service of the University of Alaska, speaking of agricultural possibilities in Alaska with specific reference to Matanuska, believes that Alaska, granted more money for equipment and experimentation, could surpass even the Soviet achievements in far north agriculture.

Many have called the Matanuska colony a failure. Officials who have been connected with it attribute much of the early difficulty to the fact that many of the colonists were not readily adaptable to a harsh pioneer environment. It is said that relief workers in charge of selecting families for the experiment thought to rid themselves of "difficult" cases. Undoubtedly this was done in certain cases, and this betrayal of trust long handicapped the colony. But proper evaluation of the success or failure of the Matanuska experiment should also include the demonstrable crop and dollars-and-cents results, both of which are considerable.[18]

The Tanana Valley, in which Fairbanks is situated, is another agricultural center. It contains about 7,000 square miles suitable for tillage, and grain and potatoes are the best crops. The University of Alaska Experiment Station at College, adjacent to Fairbanks, is the heart of Tanana agricultural enterprise. Some of Alaska's best agricultural land is isolated on the Kenai Peninsula, where there is already a well-developed farming community at Homer. Kenai production is similar to that of Matanuska, but must remain less developed until better transportation is provided. Other large potential farm areas exist, especially in the Yukon and Kuskokwim River Valleys, but lack of transportation makes their development impractical.

ECONOMY

Alaskan economy in normal times rests "none too securely" on two industries—gold-mining and salmon fisheries—the Governor warned the Legislature in 1941.[19] In 1939 the total value of fisheries products of Alaska was $40,104,000, while the value of minerals produced in the Territory totaled $28,470,000 in 1940.[20] Salmon and salmon products alone accounted for $36,297,000 of the value of fisheries products; gold accounted for $26,178,000 of the minerals. While in 1936 the salmon catch was worth nearly $47,000,000, the average for the past ten years was $35,000,000. Gold mining averages between $17,200,000 and $26,000,000 yearly. Other enterprises are so small in comparison as to be still in the stage of experimental development.

Nearly every one living in Alaska depends to a great extent on these two industries. Salmon fishing, the mass employer, puts something like 25,000 people to work in a single season. Miscellaneous fisheries operated along similar lines absorb another 5,000. In 1939, $11,086,352 was paid in wages to the 24,921 persons engaged in the salmon fishing industry.[21] The salmon season lasts from six weeks to two months, the halibut and herring season slightly longer. More than half the people employed by the canneries are migratory workers brought north by the companies that employ them. Often they are housed and fed at company camps. In many cases their wages are paid after their return to the United States, which causes much bitter feeling in Alaska. Expressed in figures, a $50,000,000-industry with a payroll of $11,000,000 pays nearly $6,000,000 in wages outside of Alaska.[22]

When the famous Kennecott Copper mines closed in 1938 through exhaustion of their great deposits, gold mining lost its only serious rival for preeminence in the mining industry. Gold mining annually employs about 5,000 men, although this figure has doubtless dropped recently due to the closing down of many operators because of increased expenses and labor scarcity. Mining in Alaska is almost as seasonal as fishing. In the placer mines the average number of working days per man is 171; in the lode mines, 272. The overall average is 226 days, or about 7.5 months.[23] Seventy-two per cent of all gold mining is done by 24 large operators. The general practice of mining companies is to provide camps for their workers.

Both fishing and mining in Alaska are controlled from outside the Territory. As mining passed its first stage of individual prospecting and the "easy gold" was worked out, large companies with abundant capital and the elaborate machinery necessary to work more difficult deposits took control. Only a few Alaskans are represented among those who control the industry. Chief among the gold operators are the U.S. Smelting, Refining and Mining Company and the Alaska Juneau Gold Mining Company, whose ownerships lie outside of Alaska. Similarly, as the demand for fish and fish products grew, the fishing industry slipped from the hands of small operators. Dominating the fishing industry today are Libby, McNeill and Libby, Pacific American Fisheries, Alaska Packers, and P. E. Harris—Chicago, Bellingham and San Francisco interests. Various other large companies maintain canneries or have financial interests in the Alaska fish pack.[24]

The peculiar isolation of Alaska resulting from lack of overland transportation facilities to and

18. *Agriculture* (National Resources Committee), Part II, pp. 112 ff.

19. *Message to the 15th Legislative Assembly*, cited, p. 7.

20. *Statistical Abstract of the United States*, 1940, p. 755.

21. *Alaska Fur Seal and Fishery Industries in 1939* (Bureau of Fisheries Administrative Report No. 40), p. 145.

22. Statistics from a confidential report.

23. *Report of the Commissioner of Mines for 1939-40*, p. 51.

24. Interview with Michael J. Haas, Territorial Commissioner of Labor, March 1942.

within the Territory has promoted a third economic monopoly, shipping. Since the turn of the century shipping to Alaska has been controlled by two or three companies. Coastwise shipping regulations promote the excessive rates charged by these companies. This forces exorbitant mark-ups in the price of goods consumed in the Territory. Lack of competition and adequate regulation in either the national or Territorial capital puts Alaska at the mercy of the shippers.

A survey conducted in 1940 by Juneau Local 251, National Federation of Federal Employees, gave a graphic picture of resultant living costs. With Washington, D.C., as a base, maintenance on a minimum standard for a family of four costs 35.52 per cent more in Ketchikan. The percentage over Washington grows in direct proportion to distance from the States: in Petersburg, it is 38.84 per cent; in Juneau, 49.40; Sitka, 59.82; Seward, 60.73; Cordova, 75.59; Anchorage, 88.85; Nome, 109.45; and in Fairbanks, 116.16.[25]

POLITICS

The steamship, mining and fishing interests all maintain legal representatives in Alaska, in close touch with the local Legislature, and the dependence of the entire Territory on these three enterprises cannot be overemphasized. Nor can their long established domination of the economic and political life of the Territory be overstressed. Until recently it has gone wholly unchallenged, bearing bitter fruit in the substantially higher cost of living in Alaska, and in the lack of facilities to which every community in the United States has a right to aspire. Both factors tend, in more ways than one, to keep Alaska from growing and developing. The high cost of living makes it impossible for elderly people to retire there. Retired railroad men, who have spent their lives in Alaska, built homes and raised families, find that their modest monthly pension checks will go further "down below" than in Anchorage or Fairbanks, where the cost of living is approximately double what it is in the States. Lack of community facilities also causes parents with children approaching adolescence to seek outside communities with more favorable opportunities for education and recreation.

This issue was raised sharply for the first time in the 1941 session of the Legislature by Governor Ernest Gruening, who has the support of the Roosevelt Administration. In a comprehensive message to the Legislature, Governor Gruening pointed out that Alaska was coming of age; that the "take-it-and-run" spirit, which had dominated Alaska since the first gold rush days, should be put aside; that all the great wealth extracted from Alaska should not, as hitherto, be taken outside of the Territory, but that a reasonable part of it should be plowed back for Territorial improvement and development. As a result of tax studies made in preceding years, he was able to show that Alaska was by far the most lightly taxed political entity under the American flag. Great categories of businesses and individuals, he pointed out, were escaping wholly untaxed, and the interests of the Territory and of the people who desired to make their home there were being seriously impaired.

He further pointed out that existing taxes were a confused jumble of imposts long since obsolete, unstable and uncertain as revenue producers, and bearing no relation to capacity to pay or to the Territory's economic needs. He proposed scrapping virtually all these levies and substituting three basic taxes—a personal and corporate income tax, a severance tax on gold,[25a] and a general property tax, none of which had previously existed in Alaska. He warned that Alaska's income rested on only two basic industries, gold mining and salmon fisheries, and that if anything happened to either, the Alaska exchequer would be in a serious plight. He made clear the anomaly of wholly untaxed property just outside incorporated towns, while those within city limits were paying property taxes to the municipality. He proposed a slight property tax with exemption to town residents so that the latter's taxation would not be increased, but all property owners would be on approximately the same tax basis. This tax would also produce an essential economic reform by returning to circulation thousands of acres of patented mining claims and agricultural lands, where owners had disappeared and their property was unavailable for use.

No one challenged the validity of these proposals. Yet they were defeated by the representatives of the cannery and gold mining interests who invariably send well-financed lobbies to the biennial sessions of the Legislature. This new issue thrust into the life of Alaska is dividing Alaskans into two groups. The Governor's program is supported by the progressives, labor, many small business men, and most Federal officials. They see in the Governor's program a constructive policy to assure the future development of Alaska for the benefit of its people, and a challenge to the hitherto unrestrained policy of stripping Alaska for and by those who are absentees in fact and in spirit. It is the absentee group which is fighting the program. The result of its previous policies is visible throughout Alaska in lack of adequate educational and

25. *Federal Salary Classification in Alaska* (Juneau, N.F.F.E. Local No. 251, 1940).

25a. There already is a gold tax. What the Governor proposed was to abolish an exemption by which all producers are excused from paying the tax on the first $20,000 of production.

recreational facilities and roads. The roads built in the Territory have been constructed chiefly with Federal funds contributed by the Federal government. The cannery and mining interests are eager to preserve their lightly taxed status quo, and oppose expenditures for schooling, civic improvements and other facilities which would raise the standards of living in Alaska.

Without civilized inducements, migratory workers brought into Alaska by its industries will not stay in the country, although greater population is the *sine qua non of* Alaskan development. One of the strongest criticisms put forward by the liberals regarding the controlling conservatives is that, by political manipulations, they artificially perpetuate Alaska's primitive character and stifle its growth.

Transportation is the second economic and political handicap. Freight and passenger fares to Alaska are high and have been the subject of protest. Transportation within the Territory is also difficult and expensive. There are only 2,500 miles of road in 586,000 square miles of land. More roads would help combat the current high cost of living; in addition, a road-building program would open up rich sections hitherto inaccessible. But the revenues to insure such a program have been held back by the opposition lobby.

Conservative groups present few concrete arguments. Opposition to the key proposal of the reform program—the income tax bill—was presented on the general basis that increased operation costs would not permit additional taxation. The implied threat that the mining and fishing industries might close down carried much weight, in view of the Territory's complete dependence on them. Conservatives decry the positive results of agricultural experiments, not only at Matanuska but elsewhere. They point, instead, to the acknowledged shortcomings and failures of the agriculturalists, and emphasize the impossibility of community development without transportation facilities. Some urge that, since climatic and geographic conditions make development of a normal economy difficult, the present system of exploitation is the only one suitable to Alaska. Others go further and inveigh against the conservation of resources program. They ask that all restrictions be lifted and Alaska thrown open to free enterprise.

### DUALISM IN GOVERNMENT

Meanwhile, a wasteful and obstructive dualism between Federal and Territorial officials exists in the branches of government, some of which could be eliminated by consolidation. There are three road building agencies: The Alaska Road Commission, operating under the jurisdiction of the Department of the Interior and expending both Territorial and Federal funds; the Territorial Board of Road Commissioners, who direct the functions of the Territorial Highway Engineer, an elected official who is also a member of the board; and the Public Roads Administration, a subdivision of the Federal Works Agency, which builds roads in National Forest areas.

There are other examples of this type of duplication and overlapping. The efficiency of the government of Alaska could undoubtedly be improved by reorganization. The Organic Act adopted in the dog-team days of 1912 is in many respects obsolete and needs revision. The Act set up a Legislature composed of 16 Representatives and 8 Senators. Two Senators and four Representatives are elected from each of the four Judicial Divisions. The Senators serve four, the Representatives two, years. The Judicial Division is a hold-over from the earlier mining-camp days of the Territory. When the Congress created the Legislature, it arbitrarily made the Judicial Division the electoral district. The result has been a representation in the Legislature wholly unrelated to the number of people represented: the representation has, in consequence of shifting population, grown steadily more disproportionate. The last census revealed over twice as many people in the first division as in the second, yet each have the same voting strength in the Legislature. Mining interests dominate representation from the second and fourth divisions. Mining and fishery interests are more nearly equal in the first and third divisions. The Legislature meets biennially for 60 days. The Governor has a limited veto power which can be overruled by a two-thirds vote.

The Governor of Alaska has probably less power than any State or other Territorial executive. Of patronage there is next to none, since his "cabinet" is composed of elected officials who constitute a majority on the administrative Territorial boards which really carry on the executive functions of the Territory. These officials are the Attorney General, the Territorial Treasurer, the Territorial Auditor and the Territorial Highway Engineer. The Board of Administration is composed of these four officials, the Governor and the Commissioner of Education. Elected officials have control over the policies of this board, as of others. The Board of Highway Commissioners is composed of the Governor, the Highway Engineer, and the Territorial Treasurer. The Banking Board is composed of the Governor, the Treasurer and the Auditor. The Commissioner of Education is appointed by the Board of Education, consisting of five members appointed for five years by the Governor, subject to confirmation by the Legislature.

Federal agencies administer the public domain through the General Land Office, and the great for-

est areas of southeastern Alaska and Prince William Sound through the Forest Service. The Alaska Game Commission, which administers the game laws, is a local body under the general supervision of the Secretary of the Interior who has, however, given the commission virtually complete autonomy. The fisheries are likewise regulated by the Interior's Fish and Wildlife Service. The Coast Guard plays an important role in the life of Alaska, rendering valuable service in patrolling the coast and assisting the Territorial marine activities. The judicial administration consists of four judges, four U.S. attorneys and assistant attorneys appointed by the President upon recommendation of the Attorney General of the United States, and a system of lesser officials, U.S. Commissioners, who act more or less as police court judges. The Federal judge in each division appoints the commissioners who need not be, and seldom are, lawyers. Proposals for administrative changes have never advanced very far. Statehood has not been a burning question in Alaska. The dominating economic and political interests have feared that the cost of running a state government would mean increased taxation; moreover, the population—some 72,000 by the last census—has not beeen deemed sufficient to qualify the Territory for statehood.

Alaska has a delegate in Congress, elected every four years by popular vote. He has a voice but no vote in the House of Representatives. The Territory has no representation in the national Senate.

### STRATEGIC ROLE

Without taking all factors into consideration, it is difficult to understand why there have not long since been demands for more and better Alaskan military installations and for active use of Alaska as a springboard for an Asiatic offensive. General Billy Mitchell once said that control over Alaska would permit control over much of the globe.[26] In a previous Report, the Foreign Policy Association pointed out that: "The Great Circle Route between Japan and the western coast of the United States passes just south of the Aleutian Islands and consequently the air distance between Seattle and Tokyo is about 1,500 miles shorter via the Aleutians. . . . In any war between the United States and Japan . . . the army and navy would find it imperative to prevent the enemy from establishing bases in Alaska, while adequate United States bases in the Aleutian Islands would be extremely valuable for naval and air operations against Asiatic forces."[27] The existence of the Great Circle Route forms the basis, in one way or another, of most expert calculations of Alaska's military value: it puts the Territory within bomber reach of nearly every important capital in the world.[28] Then, too, Alaskan bases can dominate the whole north Pacific, as a glance at a map will show.

Land operations are difficult because of the rugged frozen regions making up the greater part of Alaska. Lack of transportation and communication facilities within the Territory handicaps military maneuvers. The weather proved an ally of the Japanese High Command and permitted the Japanese forces to get a toehold in the Aleutians. But to penetrate Alaska proper, the Japanese must face the same natural enemies as its defenders. This does not mean that the Japanese in the Aleutians are not a menace. Their presence in the area threatens the west coast of the United States and the great fishing industry in near-by waters. Infantry supremacy in Alaska may be difficult to establish and maintain. But in a global war Alaska's location makes it valuable for air operations in all directions.

The Territory forms a massive bridge between North America and Asia. But it also forms a bridge between Asia and North America. The large Japanese base on Paramushiru Island is about 700 miles from Attu, westernmost of the Aleutians.[29] As the balance of war power shifts in the southern Pacific, the advantage of United Nations control over the Great Circle Route becomes more evident. But Alaska is vulnerable to air attack from the Orient. Tabulations of distances between the west coast of the mainland and Japan, as against distances between Alaska and Japan and Alaska and the west coast, have emphasized the favorable view that the balance is on our side. It was assumed that a constant stream of supplies and men could flow into Alaska from the west coast, while distance from home bases would effectively prevent any attempted Japanese seizure of Alaskan vantage points. The evident fact that any part of Alaska in enemy hands would give the enemy the positive geographic advantage we now hold was almost completely overlooked.

Alaskans have long been aware of their vulnerability. In 1938 Delegate Anthony J. Dimond said in a speech before the House of Representatives: "I am apprehensive . . . lest this 'Achilles' heel' of our national defense may some day, perhaps not so far in the future, result in disaster to the people of the United States."[30] Almost as if in reply to this statement, construction of extensive defense installations in Alaska was undertaken. The exact state

26. *Newsweek*, March 16, 1942.

27. A. Randle Elliott, "U.S. Defense Outposts in the Pacific," *Foreign Policy Reports*, March 15, 1941, p. 3.

28. See "Alaska in the War," *Congressional Record*, 77th Congress, 2nd Session, p. 7033.

29. A. J. Dimond, Alaskan Delegate to the House of Representatives, in a speech before the House, March 28, 1938. *Congressional Record*, reprint, March 28, 1938.

30. *Ibid.*

of the Territory's preparedness is a military secret, but some facts are a matter of public record.

The Alaska Resources Committee, in a report to President Roosevelt in 1937, stated that, "while Alaska may not be ideally suited to aviation, aviation . . . is ideally adaptable to Alaska."[31] Commercial aviation in the Territory developed with astonishing rapidity after the last war, notwithstanding the rugged topography and difficult climatic conditions. During the last two decades, Alaskan travel has come to depend more and more on airplanes. The industry developed without benefit of modern equipment, landing fields, radio and weather reports, or other services that lessen flying hazards. According to the Alaska Resources Committee in 1937: "Of the 97 so-called airfields . . . only 13 can be said to have more than one runway . . . only 6 have runways 3,000 feet long or longer . . . 51 have runways less than 1,500 feet in length. . . . None of the fields has any lighting facilities whatsoever, except at Fairbanks and Anchorage, each of which has a rotating beacon and a floodlight. . . . It is perhaps an exaggeration to say that sandbars and clearings are utilized as often as constructed airfields, but the fact remains that they are . . . used all too often."[32] The Civil Aeronautics Administration undertook to improve the existing landing-field system in connection with Army and Navy plans for Alaskan defense. By the end of 1941, Alaska had 155 airfields with, however, low Federal rating.[33] Intermediate landing fields were being constructed, and a program of radio and weather service for all aviation within Territorial limits was under way. As the Army and Navy intensified their preparedness drive, work was begun on major bases at several points, including Anchorage and Fairbanks.

In accordance with the recommendations of the Hepburn Committee,[34] which in 1938 suggested additional naval facilities, the Navy is still constructing bases in Alaska "for the support of the fleet." These include installations at Dutch Harbor, a naval air station at Sitka, and a field on Kodiak Island. Equipment and manpower allotted to these or any other stations are military secrets. The feeling in Alaska is one of nervous alertness, which has exploded in a series of revelations by Alaskan officials and other interested people in Washington.[35]

### ALASKA HIGHWAY

Not the least of the "explosions" of a military nature was the controversy over the International Highway. The general impression that Alaska was well defended and even integrated into the continental system of communications arose largely from previous agitation for the highway now under completion. The road just built is not in any sense the highway proposed during peacetime. Tsar Alexander of Russia first urged the United States to build a link to connect with his proposed Trans-Siberian railroad during the 90's, but until 1927 the idea was dead. Since then one of its foremost proponents has been an Alaskan engineer, Donald MacDonald who, envisioning war between the United States and Japan, saw the highway as a military and economic necessity. Toward the end of his administration, President Hoover was persuaded to consider the possibility of building the highway, both for strategic reasons and to absorb numbers of unemployed. The project did not receive serious consideration, however, until the administration of President Roosevelt.

Alaskan Delegate Dimond introduced highway bills into the House, but unsuccessfully. In 1938 Representative Warren Magnuson of Washington pushed a bill through Congress for appointment of an Alaskan International Highway Commission, and one of its five members was Donald MacDonald.[36] Shortly afterward, the Dominion of Canada appointed a corresponding commission, called the British Columbia-Yukon-Alaska Highway Commission.

In 1940 the Alaskan International Highway Commission submitted a report on the feasibility of a highway and the most desirable routes. MacDonald submitted a separate report, emphasizing the military value of the road. Neither received much consideration because the United States-Canadian Joint Defense Board, asked to consider possibilities for a highway, had decided to establish an air route instead. The Canadian Pacific Railway's desire to extend its aviation business into Alaska after the war is reported to have influenced the decision.[37] The Board recommended building emergency landing fields in northeast British Columbia and southeast Yukon. After this country's entrance into the war, agitation for the highway gained new momentum. In February 1942 Congress held hearings on an authorization bill, and Alaskan International Highway Commission members again presented arguments for their route as the most direct, practicable and economic into the Territory. But the Army chose another, following the line of flight from Edmonton to Fairbanks, which passes through landing fields built at the

31. *Alaska: Its Resources and Development*, cited, p. 167.
32. *Ibid.*, p. 175.
33. *Annual Report of the Governor of Alaska*, June 1941, p. 38.
34. House Document 65, 76th Congress, 1st Session, pp. 20 ff.
35. Many pertinent analyses of Alaskan defenses were made behind closed doors, and information given to the authors is confidential. Some details, however, appeared in newspaper and magazine reports during June, July and August 1942, as well as in the *Congressional Record* for the same period.
36. *Congressional Record*, 75th Congress, 2nd session.
37. At present Alaska is served from outside by Pan-American Airways operating from Seattle.

Canadian Pacific's suggestion in northwest Canada.

MacDonald and some Canadian members called the choice a grave blunder,[38] basing their objections on construction difficulties between Dawson Creek, B.C., southern terminus of the route chosen, and Fairbanks. Despite the difficulties involved, the highway was completed for opening on November 20, although much remains to be done.

MacDonald and other partisans of the route selected by the Alaskan International Highway Commission present these arguments: it follows the Pan American Airways flight line into Alaska; its southern terminus, Prince George, is 17½ hours closer to Seattle; it has few construction obstacles. In addition, building materials are available along the route and low-grade transportation facilities are close by. Another argument is that the route lies close enough to the coast to be used as a base for second-line air defense.[39] The Canadian Commission opposes this route and favors the Rocky Mountain Trench, or "B" route. The United States Army justifies its choice of the present route by explaining that it follows the military flight line into Alaska.

CONCLUSION

Alaska's war role now overshadows any other consideration of the Territory. Its potential value as a strategic outpost for either offensive or defensive use has become clearly apparent. The future of Alaska after the war is another problem. Its wealth is proverbial, but the question is how best to put that wealth to use. Farseeing Alaskans hold that the Territory can be an invaluable factor in any post-war reconstruction plan, provided development and settlement proceed simultaneously. Present farming areas must be developed further and new ones opened up. Extensive government-encouraged experimentation would remove many hazards from far north farming, and would make it possible to grow crops heretofore restricted to more temperate areas. At the same time, normal population growth must be encouraged by development of new industries and expansion of those already in operation. A few minor woodworking industries, such as furniture or toy-making, could be built up around the nucleus of farming communities. Material, sites and water-power for pulp and paper mills and lumbering are already available.

Extensive surveying and mapping must be completed before the great mineral wealth of the Territory can be estimated accurately, but enough is known of many deposits to make new small-scale operations practicable. It might be imperative to find another mineral prop besides gold in Alaska's economy after the war, since the future of gold as the world's monetary standard appears uncertain. A revaluation of the fishing industry as it is now constituted is strongly indicated. Present experiments to find new uses for fish and fish products in an effort to extend the fishing season over most of the year should be intensified.

Economic development would demand public facilities which do not now exist. A preliminary step, therefore, would be a tax reform to provide funds for roads, schools and other civic necessities. Perhaps the most important undertaking would be completion of a road program to make remote parts of the Territory accessible and link already settled sections more closely. Such a network would be in itself an inducement to further investigation and colonization. Whether the Alaska Highway will be suitable for post-war civilian transport is at present an unanswerable question.

Back of most programs advanced for the future development of Alaska is the assumption that the Federal government will continue to own or control 99 per cent of Alaskan land and resources, as it does at present. There is no valid justification for that assumption. Whatever its drawbacks, government from Washington has preserved in Alaska the resources so recklessly wasted in older parts of the United States. Greater autonomy for Alaska, greater control of its land and resources, await greater assumption of responsibility by the Territory; the initial step is for the Territory to make itself more nearly financially self-sustaining.

The war, the resulting installations in Alaska, the probable shifts in population, will produce profound changes in the Territory. In any event, Alaska should no longer be considered a remote appendage to the United States, useful only for the enormous wealth that can be pumped out of it. The world crisis brings it to the fore as one of the earth's most promising areas. Lessons from our own past and from the past of other nations give us clear warning not to mistreat it, but to make our Alaskan policy truly one of the "greatest good to the greatest number."

38. Included among those protesting was George Stewart, former Premier of Alberta and one-time Canadian Minister of Public Works. For Stewart's province of Alberta, the chosen route means increased economic opportunities because its capital, Edmonton, would replace Seattle as the supply depôt for the north.

39. The route selected by the International Highway Commission lies only 125 miles inland, well within the cruising range of fighter planes. It is well protected by the coastal range and could be widened to provide emergency landing fields if coastal defenses were threatened.

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*In the December 15 issue of* FOREIGN POLICY REPORTS:

ALLIED GOVERNMENTS IN LONDON *by Winifred Nelson Hadsel*

# Baranof and Russian America

By Beka Doherty

It was a Danish sailor, Vitus Bering, a member of the Russian Navy since boyhood, who discovered Alaska for Russia's benefit. Bering sailed under a commission from Peter the Great. He died in 1741 on the way home from his greatest voyage; but the survivors returned with enough news of the rich land to the east to throw Siberian fur traders into feverish activity. These *promyshleniki* (traders), wild and half-civilized, abandoned their Siberian hunting grounds for the new land. Year by year they pushed farther along the Aleutian chain, slowly working their way toward the Alaskan mainland. The idea of establishing a permanent colony where agriculture, education, and some care for wild life would supplement fur-taking occurred to no one except one of the most enterprising of the traders, Gregory Shelikof.

Shelikof founded the first permanent settlement in Alaska at Three Saints Bay on Kodiak Island in 1785. Shortly thereafter he founded another at Fort Alexander on Cook Inlet, on the near-by mainland. He tried to obtain from the imperial government permission to monopolize the Pacific fur trade in return for his colonizing efforts, but was unable to arouse the necessary interest in Moscow. Shelikof, however, achieved one great advantage over competing traders when he succeeded in engaging Alexander Baranof as manager of his Kodiak Island settlement. Under Baranof's direction, Shelikof's Russian America Company was for many years the only power in the North Pacific.

Baranof was known in Siberia as an intelligent, enterprising and ambitious man, successful beyond the usual hopes of his station. His fortunes were in eclipse, however, when Shelikof persuaded him, against his will, into the Alaskan adventure. Baranof knew no more about Alaska than did his fellow traders when he set out in 1790. Contemporary map-makers vaguely outlined the "straits of Annian" at Siberia's eastern limits, and beyond indicated even more vaguely a body of land as *Americae pars*. Returning fur traders brought stories of hostile natives, perpetually inclement weather, and forbidding wilderness.

Baranof's régime was marked by energy, ambition and intelligence. He organized the Aleuts of Kodiak and Afognak to hunt sea otter under Russian direction, leaving the Russians free for more important work. Yearly, on his exploring trips eastward, he won over more native tribes to cooperate with the Russians. Only the Tlingits of southeastern Alaska remained permanently hostile. In 1806 Baranof answered their attacks and the torturing of captives by establishing headquarters in one of their prized strongholds, Sitka Island.

Baranof realized the commanding position of Alaska in the Pacific and sent out trade feelers down the coast of California, to the Hawaiians, and even to the Philippines and Burma. The War of 1812 played into his hands; many "Boston men" took service under him and continued their Pacific trade without fear of English raiders. He evaded the old Russo-Chinese treaty, which forbade Russian ships access to Chinese ports, by sending fur cargoes to Canton in foreign bottoms. A settlement was established at Ross, California, with the idea of making the Pacific Coast an adjunct to Alaska. Mexico was not averse to the scheme, but Baranof's age and increasing difficulties with Moscow forced him to abandon it.

For many years Baranof asked to be replaced as American manager for the Russian America Company, and half a dozen men died en route to assume his duties. After the Napoleonic wars, the Russian Navy began to take a belated interest in Russian America. They suspected Baranof of embezzling company funds because of his friendly relations with the Yankees. Even at that early date American economic penetration was feared, and autocratic Russia was none too fond of the growing republic whose fast ships were the best in the world and whose traders drove the sharpest of bargains and had the most money to spend. Baranof liked to bargain with the Yankees, and there were years when company dividends were declared largely on the profits from his Yankee trades. Finally, in 1816 an ex-Navy officer, whose bad behavior in Hawaii had prevented establishment of a trading station there, was sent to replace Baranof.

At the last reckoning, the old man was able to show established settlements from Unalaska to Ross where peace and understanding prevailed. Even the old Tlingit feud had been patched up. The Russian and Creole population had reached 759; more than 8,000 Natives were at Baranof's command. The Russian America Company's holdings were worth 7,000,000 rubles; Baranof had built or bought nine ships. The balance of trade between the colony and the mother country was 17,260,698 rubles in Baranof's favor. Company shares were selling at 592.53, with a par value of 100. Disappointed and ill, Baranof died en route to Russia. He was buried in the Indian Ocean. Baranof's dream of a Pacific empire owing fealty to the Tsar glimmered out with his death. Except for a short interval under Baron von Wrangell, Russian America made little progress and finally dropped like a ripe plum into the hands of Yankee traders.*

*Hector Chévigny, *Lord of Alaska* (New York, Viking, 1942); A. G. Mazour, "Prelude to Russia's Departure from America," *Pacific Historical Review*, Vol. X, pp. 311 ff.